

Enterprise Funds

The Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises. It is the intent that the cost of providing such goods or services will be recovered through user charges.

The State Lottery Department accounts for all receipts and expenses from the operations of the State Lottery.

The Department of Alcoholic Beverage Control operates facilities for the distribution and sale of distilled spirits and wine.

Risk Management accounts for pooled resources received and used by the Department of General Services for financing local government insurance programs. This includes Local Entities Bond Insurance, Public Officials Insurance, Law Enforcement Insurance, and Commuter Rail Insurance.

The Local Choice Health Care Program, directed by the Department of Personnel and Training, administers a health care plan for the employees of participating local governments.

The Virginia Industries for the Blind manufactures products for sale to governments, certain private organizations, and the general public.

The Consolidated Laboratory provides drinking water testing services and a newborn screening program.

The Higher Education Tuition Trust Fund administers the Virginia Prepaid Education Program.

The Department of Environmental Quality accounts for the Title V program that offers services to the general public.

The Pocahontas Parkway Association accounts for the Route 895 Connector Project. The Association is a blended component unit of the Department of Transportation (Primary Government).

Other includes:

- **Virginia Museum of Fine Arts**, which accounts for gift shop and food service activities;
- **Division of Legislative Services**, which accounts for sales of the Virginia Register, a publication which lists all proposed and final state agency regulations;
- **Science Museum of Virginia**, which accounts for gift shop activities;
- **Virginia Historic Preservation Foundation**, which acquires and sells properties of historical significance; and,
- **Virginia State Parks Foundation**, which solicits gifts and grants for the benefit of state parks.

**Combining Balance Sheet
Enterprise Funds**

June 30, 1999

(Dollars in Thousands)

	State Lottery Department	Department of Alcoholic Beverage Control	Risk Management	Local Choice Health Care
Assets				
Cash, Cash Equivalents, and Investments	\$ 594,197	\$ 226	\$ 54,609	\$ 5,218
Taxes, Loans, Accounts, and Other Receivables (Net)	35,302	1,881	29	12,436
Inventory	1,812	22,908	-	-
Prepaid Items	2,533	912	96	110
Other Assets	5	130	50	-
Property, Plant, and Equipment (Net)	11,769	18,490	-	-
Total Assets	<u>\$ 645,618</u>	<u>\$ 44,547</u>	<u>\$ 54,784</u>	<u>\$ 17,764</u>
Liabilities and Equity				
Liabilities:				
Accounts Payable	\$ 9,333	\$ 11,123	\$ 162	\$ -
Claims Payable	-	-	6,905	8,529
Obligations Under Securities Lending Program	585	21	4,202	402
Long-Term Liabilities	2,109	6,627	-	-
Other Liabilities	619,563	-	-	-
Due to Other Funds and Primary Government	783	3,909	-	-
Interfund Payables	12,000	23,719	-	-
Deferred Revenue and Deferred Credit	2,004	226	3,482	-
Total Liabilities	<u>646,377</u>	<u>45,625</u>	<u>14,751</u>	<u>8,931</u>
Equity:				
Contributed Capital	-	1,600	-	-
Retained Earnings (Deficit)				
Unreserved	<u>(759)</u>	<u>(2,678)</u>	<u>40,033</u>	<u>8,833</u>
Total Equity	<u>(759)</u>	<u>(1,078)</u>	<u>40,033</u>	<u>8,833</u>
Total Liabilities and Equity	<u>\$ 645,618</u>	<u>\$ 44,547</u>	<u>\$ 54,784</u>	<u>\$ 17,764</u>

						Total
Virginia Industries for the Blind	Consolidated Laboratory	Higher Education Tuition Trust	Department of Environmental Quality	Pocahontas Parkway Association	Other	June 30, 1999
\$ 2,240	\$ 2,593	\$ 253,940	\$ 9,866	\$ 296,753	\$ 1,738	\$ 1,221,380
967	56	552	51	1,863	1,138	54,275
1,609	37	-	-	-	715	27,081
-	-	-	-	44	-	3,695
1	-	-	-	14,812	9	15,007
664	318	30	-	90,804	11	122,086
<u>\$ 5,481</u>	<u>\$ 3,004</u>	<u>\$ 254,522</u>	<u>\$ 9,917</u>	<u>\$ 404,276</u>	<u>\$ 3,611</u>	<u>\$ 1,443,524</u>
\$ 472	\$ 92	\$ 246	15	\$ 11,854	\$ 227	\$ 33,524
-	-	-	-	-	-	15,434
-	-	3,222	760	-	50	9,242
182	106	68	551	381,706	69	391,418
-	-	226,604	-	3,831	46	850,044
-	265	-	960	10,144	-	16,061
-	-	-	-	-	-	35,719
-	889	-	-	-	-	6,601
654	1,352	230,140	2,286	407,535	392	1,358,043
1,740	340	-	-	-	285	3,965
3,087	1,312	24,382	7,631	(3,259)	2,934	81,516
4,827	1,652	24,382	7,631	(3,259)	3,219	85,481
<u>\$ 5,481</u>	<u>\$ 3,004</u>	<u>\$ 254,522</u>	<u>\$ 9,917</u>	<u>\$ 404,276</u>	<u>\$ 3,611</u>	<u>\$ 1,443,524</u>

Combining Statement of Revenues, Expenses, and Changes in Retained Earnings
Enterprise Funds

For the Fiscal Year Ended June 30, 1999
(Dollars in Thousands)

	State Lottery Department	Department of Alcoholic Beverage Control	Risk Management	Local Choice Health Care
Operating Revenues:				
Interest, Dividends, Rents, and Other Investment Income	\$ -	\$ -	\$ -	\$ -
Charges for Sales and Services	934,521	289,668	5,102	63,134
Other	-	-	-	-
Total Operating Revenues	934,521	289,668	5,102	63,134
Operating Expenses:				
Interest Expense	-	-	-	-
Cost of Sales and Services	55,838	183,867	-	-
Prizes and Claims	497,461	-	3,348	64,757
Personal Services	16,997	44,357	-	-
Contractual Services	35,487	8,897	-	6,233
Supplies and Materials	1,860	1,160	-	-
Depreciation and Amortization	4,957	2,570	-	-
Rent, Insurance, and Other Related Charges	5,997	9,615	1,681	-
Other	96	2,034	7	-
Total Operating Expenses	618,693	252,500	5,036	70,990
Operating Income (Loss)	315,828	37,168	66	(7,856)
Nonoperating Revenues (Expenses):				
Interest, Dividends, Rents, and Other Investment Income	8,989	21	2,875	631
Income From Securities Lending Transactions	523	34	133	29
Expenses For Securities Lending Transactions	(500)	(33)	(127)	(28)
Other	1,201	98	-	-
Total Nonoperating Revenues (Expenses)	10,213	120	2,881	632
Income (Loss) Before Transfers	326,041	37,288	2,947	(7,224)
Transfers:				
Operating Transfers Out	(331,314)	(37,539)	(1,948)	-
Total Transfers	(331,314)	(37,539)	(1,948)	-
Net Income (Loss)	(5,273)	(251)	999	(7,224)
Retained Earnings (Deficit), July 1	4,514	(2,427)	39,034	16,057
Retained Earnings (Deficit), June 30	\$ (759)	\$ (2,678)	\$ 40,033	\$ 8,833

Virginia Industries for the Blind	Consolidated Laboratory	Higher Education Tuition Trust	Department of Environmental Quality	Pocahontas Parkway Association	Other	Total
						June 30, 1999
\$ -	\$ -	\$ 15,637	\$ -	\$ 18,013	\$ -	\$ 33,650
8,065	2,294	646	9,235	-	3,165	1,315,830
-	-	55	-	-	63	118
8,065	2,294	16,338	9,235	18,013	3,228	1,349,598
-	-	-	-	20,868	-	20,868
3,858	-	-	-	-	1,789	245,352
-	-	-	-	-	-	565,566
3,189	832	664	7,575	-	1,041	74,655
536	402	2,595	419	-	165	54,734
-	458	9	145	-	207	3,839
50	62	10	-	306	11	7,966
163	539	43	-	-	-	18,038
208	26	4	-	98	27	2,500
8,004	2,319	3,325	8,139	21,272	3,240	993,518
61	(25)	13,013	1,096	(3,259)	(12)	356,080
7	-	-	624	-	147	13,294
-	-	79	30	-	2	830
-	-	(76)	(29)	-	(2)	(795)
27	-	-	-	-	14	1,340
34	-	3	625	-	161	14,669
95	(25)	13,016	1,721	(3,259)	149	370,749
(2)	(7)	(1)	-	-	-	(370,811)
(2)	(7)	(1)	-	-	-	(370,811)
93	(32)	13,015	1,721	(3,259)	149	(62)
2,994	1,344	11,367	5,910	-	2,785	81,578
\$ 3,087	\$ 1,312	\$ 24,382	\$ 7,631	\$ (3,259)	\$ 2,934	\$ 81,516

**Combining Statement of Cash Flows
Enterprise Funds**

For the Fiscal Year Ended June 30, 1999
(Dollars in Thousands)

	State Lottery Department	Department of Alcoholic Beverage Control	Risk Management	Local Choice Health Care
Cash Flows from Operating Activities:				
Receipts for Sales and Services	\$ 925,382	\$ 285,229	\$ 5,242	\$ 62,818
Receipts from Quasi-external Operating Transactions with Other Funds	-	-	30	-
Payments to Suppliers for Goods and Services	(62,956)	(195,743)	(1,638)	-
Payments for Quasi-external Operating Transactions with Other Funds	(1,279)	(1,519)	-	-
Payments for Prizes, Claims, and Loss Control	(551,540)	-	(4,879)	(67,620)
Payments to Employees	(16,840)	(43,968)	-	-
Other Operating Expense	(35,487)	(7,378)	-	(6,233)
Other Operating Revenue	1,201	4,013	-	-
Net Cash Provided by (Used for) Operating Activities	258,481	40,634	(1,245)	(11,035)
Cash Flows from Noncapital Financing Activities:				
Proceeds from Issuance of Bonds and Notes	-	-	-	-
Transfers Out to Other Funds	(331,407)	(120,958)	(1,424)	-
Other Noncapital Financing Activities	12,000	85,650	-	-
Net Cash Provided by (Used for) Noncapital Financing Activities	(319,407)	(35,308)	(1,424)	-
Cash Flows from Capital and Related Financing Activities:				
Acquisition of Fixed Assets	(4,873)	(5,229)	-	-
Payment of Principal and Interest on Bonds and Notes	-	-	-	-
Proceeds from Sale of Bonds and Notes	-	-	-	-
Proceeds from Sale of Fixed Assets	-	-	-	-
Net Cash Provided By (Used for) Capital and Related Financing Activities	(4,873)	(5,229)	-	-
Cash Flows from Investing Activities:				
Purchase of Investments	(11,870)	-	-	-
Proceeds from Sales or Maturities of Investments	66,380	-	-	-
Interest on Cash, Cash Equivalents, and Investments	9,012	-	2,881	632
Net Cash Provided by (Used for) Investing Activities	63,522	-	2,881	632
Net Increase (Decrease) in Cash and Cash Equivalents	(2,277)	97	212	(10,403)
Cash and Cash Equivalents, July 1	13,072	238	50,245	15,219
Cash and Cash Equivalents, June 30	\$ 10,795	\$ 335	\$ 50,457	\$ 4,816

						<u>Total</u>
<u>Virginia Industries for the Blind</u>	<u>Consolidated Laboratory</u>	<u>Higher Education Tuition Trust</u>	<u>Department of Environmental Quality</u>	<u>Pocahontas Parkway Association</u>	<u>Other</u>	<u>June 30, 1999</u>
\$ 4,300	\$ 2,042	\$ 74,257	\$ 9,339	\$ -	\$ 2,744	\$ 1,371,353
3,775	-	-	-	-	-	3,805
(4,134)	(1,278)	(18)	(140)	-	(1,872)	(267,779)
-	(21)	(99)	-	-	-	(2,918)
-	-	-	-	-	-	(624,039)
(3,048)	(822)	(633)	(7,301)	-	(974)	(73,586)
(929)	-	(2,492)	(404)	(6,295)	(290)	(59,508)
-	-	-	-	14,601	63	19,878
(36)	(79)	71,015	1,494	8,306	(329)	367,206
-	-	-	-	-	-	-
-	-	-	-	400	-	400
-	(6)	(1)	-	-	-	(453,796)
-	-	-	-	-	-	97,650
-	(6)	(1)	-	400	-	(355,746)
-	-	(6)	-	(77,203)	(1)	(87,312)
-	-	-	-	(6,957)	-	(6,957)
-	-	-	-	370,657	58	370,715
25	-	-	-	-	-	25
25	-	(6)	-	286,497	57	276,471
-	-	(650,267)	-	(379,164)	(2)	(1,041,303)
-	-	611,399	-	91,963	-	769,742
-	-	4,895	626	-	92	18,138
-	-	(33,973)	626	(287,201)	90	(253,423)
(11)	(85)	37,035	2,120	8,002	(182)	34,508
2,252	2,678	44,714	6,986	-	1,779	137,183
\$ 2,241	\$ 2,593	\$ 81,749	\$ 9,106	\$ 8,002	\$ 1,597	\$ 171,691

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Combining Statement of Cash Flows
Enterprise Funds (Continued from Previous Page)

For the Fiscal Year Ended June 30, 1999
(Dollars in Thousands)

	State Lottery Department	Department of Alcoholic Beverage Control	Risk Management	Local Choice Health Care
Reconciliation of Operating Income				
To Net Cash Provided by (Used for)				
Operating Activities:				
Operating Income (Loss)	\$ 315,828	\$ 37,168	\$ 66	\$ (7,856)
Adjustments to Reconcile Operating				
Income to Net Cash Provided by (Used for)				
Operating Activities:				
Depreciation and Amortization	4,957	2,570	-	-
Interest, Dividends, Rents, and Other Investment Income	(41,910)	-	-	-
Miscellaneous Nonoperating Income	1,200	120	-	-
Other Expenses	-	(238)	-	-
Change in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	(8,611)	(22)	(17)	(3,508)
(Increase) Decrease in Inventory	(794)	266	-	-
(Increase) Decrease in Prepaid Items	(2,180)	66	50	-
Increase (Decrease) in Accounts Payable	2,432	634	(153)	-
Increase (Decrease) in Claims Payable	-	-	(1,360)	329
Increase (Decrease) in Due to Other Funds	-	-	-	-
Increase (Decrease) in Deferred Revenue	(528)	(319)	169	-
Increase (Decrease) in Long-Term Liabilities	346	389	-	-
Increase (Decrease) in Other Liabilities	(12,259)	-	-	-
Net Cash Provided by (Used for)				
Operating Activities	\$ 258,481	\$ 40,634	\$ (1,245)	\$ (11,035)
Reconciliation of Cash, Cash				
Equivalents, and Investments:				
Per the Balance Sheet:				
Cash, Cash Equivalents, and Investments	\$ 594,197	\$ 226	\$ 54,609	\$ 5,218
Cash and Travel Advances	5	130	50	-
Less: Investments with Original Maturities				
Greater than Three Months	583,407	21	4,202	402
Cash and Cash Equivalents per the				
Statement of Cash Flows	\$ 10,795	\$ 335	\$ 50,457	\$ 4,816

Virginia Industries for the Blind	Consolidated Laboratory	Higher Education Tuition Trust	Department of Environmental Quality	Pocahontas Parkway Association	Other	Total
						June 30, 1999
\$ 61	\$ (25)	\$ 13,013	\$ 1,096	\$ (3,259)	\$ (12)	\$ 356,080
50	62	10	-	306	11	7,966
-	-	(15,982)	-	-	-	(57,892)
7	-	-	-	-	13	1,340
-	-	-	77	-	-	(161)
2	(43)	244	26	(1,863)	(217)	(14,009)
(394)	(7)	-	-	-	(220)	(1,149)
-	-	-	-	(44)	-	(2,108)
200	(90)	150	(7)	13,166	46	16,378
-	-	-	-	-	-	(1,031)
-	262	-	-	-	-	262
-	(246)	-	-	-	-	(924)
38	8	24	302	-	8	1,115
-	-	73,556	-	-	42	61,339
\$ (36)	\$ (79)	\$ 71,015	\$ 1,494	\$ 8,306	\$ (329)	\$ 367,206
\$ 2,240	\$ 2,593	\$ 253,940	\$ 9,866	\$ 296,753	\$ 1,738	\$ 1,221,380
1	-	-	-	-	9	195
-	-	172,191	760	288,751	150	1,049,884
\$ 2,241	\$ 2,593	\$ 81,749	\$ 9,106	\$ 8,002	\$ 1,597	\$ 171,691

